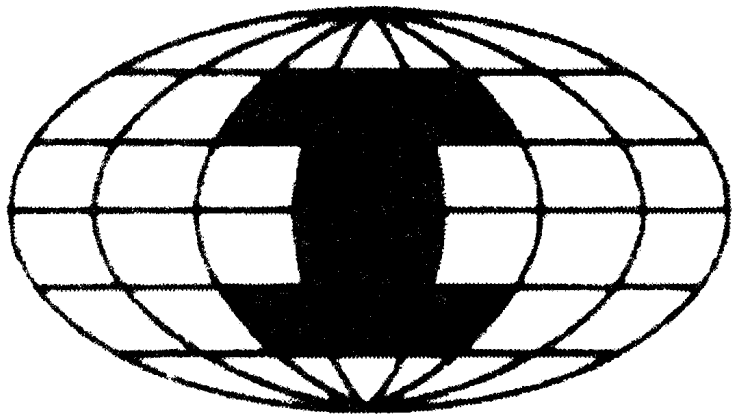


# Partnership Agreement

The International Association of  
Independent Tanker Owners  
(INTERTANKO)

And

The United States Coast Guard



Team Building for the Future

**THE INTERNATIONAL ASSOCIATION OF INDEPENDENT TANKER OWNERS  
AND  
THE UNITED STATES COAST GUARD**

**OUTLINE OF PARTNERSHIP AGREEMENT  
FOR THE  
TANKSHIP INDUSTRY**

**Purpose and Objectives of the INTERTANKO/USCG Partnership**

1. The purpose of this partnership between INTERTANKO and the United States Coast Guard (USCG) is to improve the communication and working relationship between the Coast Guard and the tankship industry. The partnership objectives are to promote vessel safety and to prevent damage to the environment from tank vessel incidents. These objectives have been identified as strategic goals by INTERTANKO's leadership and are included within the Coast Guard's "M" Business Plan and Performance Plan under the Government Performance and Results Act (GPRA).

**Outline of INTERTANKO/USCG Partnership**

2. This government/industry partnership will consist of a formal cooperative program of well-defined activities that will address mutual safety goals. While the partnership activities are intended to find non-regulatory approaches to enhance transportation safety, they may not subvert the role of the government to establish and execute public policy in accordance with pertinent treaties, laws, regulations or other directives. Similarly, the partnership is not intended to supplant the important role of existing federal advisory committees (such as NAVSAC and CTAC) as established under law to advise the Coast Guard about the industry and legislative and regulatory projects. Rather, they are intended to complement these other government and industry functions by providing an efficient mechanism for joint Coast Guard-industry action in a results-oriented, non-regulatory environment.

**Details of INTERTANKO/USCG Partnership**

3. The Partners agree to jointly identify and address mutual safety goals through a formal executive-level Partnership Action Team (PAT) which will provide direction and leadership for a cooperative program of well-defined activities. The PAT will determine the safety issues to be pursued through the partnership and designate such supporting elements and teams as may be necessary to achieve shared objectives.

4. Teams, work groups or other elements {hereafter referred to as teams} established under this partnership agreement will operate under the guidance of the PAT. Teams will conduct their work using a quality process to analyze the issues involved and to recommend improvements including, as a minimum, the following steps:

- a. Defining the problem or process improvement needed using appropriate casualty and economic data, case studies, surveys or other sources of information;
- b. Analyzing the information to identify root causes of the problem;

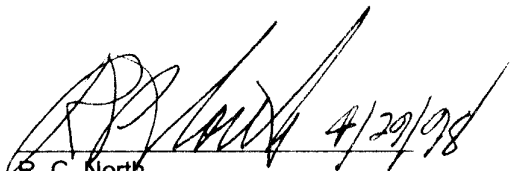
- c. Identifying solutions or improvements to the process based on the analysis;
  - d. Identifying measures to assess the impact of the improvement recommended; and
  - e. Developing an action plan to implement the recommended action.
5. The Partnership Action Team will review the work of the teams, periodically, to ensure the process described above is properly applied, the solutions are supported adequately through process measurement and related data, and the proposed action plan is complete, understandable and achievable. Having validated the team's work, the PAT will adopt, endorse and communicate the action plan to the appropriate implementing entities.

#### **Action**

6. To consummate, formalize and communicate the government/industry partnership described above, INTERTANKO and the USCG agree to undertake the following actions:
- a. INTERTANKO and the USCG will use their best efforts to promote this Partnership within their respective organizations, commencing with the execution of the agreement.
  - b. INTERTANKO and the USCG will establish a Partnership Action Team by May 29, 1998.
  - c. The experiences of the PAT and the teams, relative to the objectives of this partnership, will be evaluated by the PAT one year from the execution of this agreement. Based on this evaluation, the PAT will recommend to INTERTANKO and the USCG whether to continue the partnership or to what extent, if any, the partnership should be modified.

#### **Institution of the INTERTANKO/USCG Quality Partnership**

7. This Outline of Partnership is effective upon the signing of this agreement. It is informal in nature and may be modified by mutual agreement or terminated by either party at any time. The parties pledge to act in good faith at all times and to use their best efforts to accomplish the goals, objectives, and actions summarized herein.

  
R. C. North  
Rear Admiral, U.S. Coast Guard

  
Richard T. du Moulin  
Chairman, INTERTANKO